

*Previous references.*

S. P. 491-11 ss 1-3, B. Aug 12

S. P. 28-14 ss 1-3, B. Sept 14 1916-17

S. P. 350-07 ss 1-3, B. Jan 1916.

S. P. 280 of 04 ss 1-3, B. Jan 1916 (S. P. )

*Later references.*

52, 53, B. Jan 07

File No. 84-16

Serial No. 1

GENERAL AND REVENUE SECRETARIAT.

Serial No. 1

Part B for September 1916.

SUBJECT.

Measures for facilitating the purchase  
and sale of Mysore State Loan Papers  
by the Public.

Sl 1 H. order:-

Orders reduction in the rate  
of commission on the sale of securities  
through the State Treasury to  $\frac{1}{16}$   
per cent.

W D 1351-GPB-20,000-13-12-15

M. Parthasarathy  
reced

13-9-1916.

GENERAL AND REVENUE SECRETARIAT.

( S. N. )

NOTES.

File No. 84-16

FILE HEADING.

Measures for facilitating the purchase  
and sale of Mysore State loan papers  
to the public.

From

| No.       | Dated                 | Received   |
|-----------|-----------------------|------------|
| Diary No. | Enclos. Spare Copies. | Serial No. |

BRIEF ABSTRACT OF LETTER.

NOTES AND ORDERS.

AN INTERESTING SCHEME CALCULATED to facilitate dealings in Government securities in places where there is no stock exchange has been hit upon by the Government of Mysore. According to their current *Gazette*, a register will hereafter be maintained in the State Huzur Treasury in which will be noted all particulars including value, rate, etc., relating to the intended purchase or sale of the Mysore State securities by any member of the public. The procedure to be followed in respect to these transactions is thus laid down:—

"Any one willing to purchase or sell such securities should communicate his desire to the Comptroller in the State Huzur Treasury Department with all necessary particulars whereon the necessary entries in the register aforesaid should be made. When the Comptroller finds from the entries in the register that he can accommodate an intending buyer and an intending seller, he will ask the buyer if he is willing to purchase the securities required at the rate fixed by the seller. The name and address of the seller and a brief account of his title to the paper obtained from him will also be furnished to the buyer. If he agrees and pays into the nearest treasury an amount

sufficient to cover cost, interest accrued and commission, the seller will be requested to effect a suitable endorsement on the security and transmit it to the State Huzur Treasury. The security will then be transmitted to the buyer through the local treasury and the buyer will take delivery of it after examining the paper and scrutinizing the endorsements so as to be satisfied about the title. The money will afterwards be made payable to the seller from any treasury in the State according to his convenience."

Government propose to charge a commission of  $\frac{1}{4}$  per cent. to the seller and a similar commission to the buyer, both calculated on the face value of the security, but they state that the rates of discount or premium at which transactions will be effected will depend on the rates at which buyers and sellers will come to agreement. Facilities for transferring securities ought surely to exist as far as possible, and if the scheme now adopted by the Mysore Durbar will bestow on Mysore Government paper a greater amount of transferability, it would surely be welcomed by the public. A greater demand and consequently appreciation in price for these securities may set in, as people, now that they can be sure of a wider market for their holdings, would go in for them more freely than before. We are not sure, however, if the rate of commission demanded is not rather higher than what it should be. Brokers seem to charge less even for securities of a less high order than those of the Mysore Government, and this is a point which the authorities may ponder over. Be that as it may, there is one observation which we wish to make with reference to the scheme. We are not told if Government will keep the public informed of the demand for and the supply of the paper either, from day to day or once a week. As is generally known, the prices of these securities will be regulated to a great extent by such information and, as it is necessary that it should be made known simultaneously to all alike, to avoid undue advantage being secured by individuals, we hope it will be published regularly and simultaneously.

*Furnished to Rev. H.*

*me*

*27/8*

*SUN.*

*17/8/16* Points (1) & (2) are not quite correct. The scheme has been in existence for a long time past & the demand & supply for the paper are also noted in the *Gazette*. Perhaps the newspaper may be ~~also~~ consulted on

*then points*

*18/8/16*

*P.T. 6. (Jesur)*

72-278916

(2)

G.R.S. 13]

Routine Notes.

[To be used only for notes, requisitions, etc., not intended for permanent record.]

- 2-
- (1) The order reproduced in the Gazette is dated 1912 & if the Honble will think it recent we cannot keep it.
- (2) I think the rate of Comm<sup>ts</sup> may be reduced to  $\frac{1}{16} \frac{15}{100}$  % - This is not of immediate importance & there is not much business going in securities but the change maybe nevertheless effected.

*M*

23/8  
Draft - to Comp<sup>r</sup> Out<sup>r</sup>  
previous representation

7. 7491-11. (1-3) B. Aug 12  
 87 28-14. (1+2.) B Sep 1914.  
 87 350-07. (1-3) B Jan 1910.  
 87 280-04 (43, 44, 52, 53) B Jan 1907

3. Draft-as per orders are subd-

4. His however for consideration if it is not tight time for this work of selling Mysore Govt Securities being entrusted to the Mysore Bank, as was contemplated in the submission of 1.8.1912-27491-113

N.B.—Should routine notes be written on small slips, the notes must be copied, or slips pasted on this form.

GPB-50,000-5-8-15

2/49  
6.9.16

5 Mysore BK does this even now. No special Authorisation is necessary by

22/9/16 K. S. V.

2nd Member

2/9/16

John 28

(3)

G.R.S. 13]

Routine Notes.

[To be used only for notes, requisitions, etc., not intended for permanent record.]

6 Draft approved by  
2nd member

7. Issue to  
11-9-16  
11-9-16

ser. 1. To The Comptroller  
in Mysore.  
no: F.L. 1632 of 13.9.16

orders reduction in the rate  
of Commission on the Sale of  
Securities through the State  
Muzum Treasury to 1/16 of

N.B.—Should routine notes be written on small slips,  
the notes must be copied, or slips pasted on  
this form.